



**MINUTES OF THE
STATE OIL AND GAS COUNCIL
Missouri Geological Survey
Mozarkite Conference Room
111 Fairgrounds Road
Rolla, Mo.
November 16, 2015**

Open Session Minutes

MEMBERS PRESENT: Mr. John Madras, Clean Water Commission and Chairman; Mr. David Bleakley, Missouri Independent Oil and Gas Association and Vice-Chairman; Mr. Joe Gillman, Missouri Geological Survey; Mr. John Borgmeyer, Missouri Public Service Commission as proxy for Mr. Daniel Hall; Mr. William Luebbert, Public Member; and Mr. Bill Ransdall, Missouri Department of Economic Development.

MEMBERS PRESENT VIA CONFERENCE CALL: None.

MEMBERS ABSENT: Dr. Shari Dunn-Norman, Missouri University of Science and Technology.

LEGAL COUNSEL: Ms. Brook McCarrick, Assistant Attorney General.

STAFF PRESENT: Ms. Carey Bridges, Geological Survey Program Director; Mr. Larry Pierce, Geologic Resources Section Chief; Mr. Chris Vierrether, Energy Resources Unit Chief; Mr. Joey Baughman, Energy Resources Unit Geologist; Ms. Connie Edwards, Geological Survey Program Executive and State Oil and Gas Council Secretary; Ms. Rhonda Wilks, Environmental Geology Section Office Assistant; Mr. Don Willoh, Missouri Department of Natural Resources' General Counsel; and Mr. Scott Kaden, Water Resources Center's Groundwater Section Chief.

GUESTS PRESENT: Ms. Sarah Pokorski, Midwest Litigation Services.

With a quorum being present, the open session was brought to order by Chairman Madras at 10:03 a.m. Chairman Madras introduced the State Oil and Gas Council members and asked for guest introductions.

PUBLIC HEARING

Chairman Madras began the public hearing by reading an opening statement:

The Council will begin the public hearing on the proposed rules, rule amendments and rule rescissions related to the following 24 rules:

10 CSR 50-1.010 Organization
10 CSR 50-1.020 General Procedures and Purpose
10 CSR 50-1.030 Definitions
10 CSR 50-1.040 Enforcement Actions and Appeal Procedures
10 CSR 50-1.050 Assessment of Costs
10 CSR 50-2.010 Organization Report
10 CSR 50-2.020 Bonds
10 CSR 50-2.030 Application for Permit to Drill, Deepen, or Plug-Back
10 CSR 50-2.040 Drilling and Completion
10 CSR 50-2.050 Samples, Logs and Completion Reports
10 CSR 50-2.055 Injection Wells, Mechanical Integrity Testing and Well Simulation Treatment
10 CSR 50-2.060 Plugging and Abandonment
10 CSR 50-2.065 Operations
10 CSR 50-2.070 Well Spacing
10 CSR 50-2.080 Monthly Reports
10 CSR 50-2.090 Disposal of Fluids by Injection
10 CSR 50-2.100 Enhanced Recovery Projects
10 CSR 50-2.110 Special Projects and Research Projects
10 CSR 50-2.120 Gas Storage Operations
10 CSR 50-3.010 Establishing Spacing Units
10 CSR 50-3.020 Production Units and Well Spacing for Enhanced Production
10 CSR 50-4.010 Application for Authorization of a Pooling Unit
10 CSR 50-4.020 Application for Authorization of Unitization for Enhance Recovery
10 CSR 50-5.010 Application for Authorization for Voluntary and Statutory Unitization

The purpose of this public hearing is to provide the public the opportunity to comment on the proposed rules, rule amendments and rule rescissions.

This public hearing is not a forum for debate or resolution of issues. The Council asks that testimony be to the point and be as brief as possible, and given the large number of rules involved, please identify the specific rule to which your comment applies.

The Council will first hear from department staff. The public will then have an opportunity to comment. We ask that all individuals providing testimony fill out an attendance card so our records are complete. When you come forward to present testimony, please speak clearly into the microphone and begin by identifying yourself to the court reporter.

Following the public hearing today, the Department will review the testimony presented along with any further comments on the proposed rules and rule amendments or rule rescissions received during the public comment period that ends on November 18, 2015. The Council plans

to review the Department's final recommendation on the proposed rules at the meeting scheduled for November 23, 2015. The Council will decide at that meeting whether to accept the Department's recommendations.

The court reporter will now swear in anyone wishing to testify at this public hearing. Could all those wishing to provide testimony please stand.

Ms. Carey Bridges, Director, Geological Survey Program, was sworn in and provided the Department of Natural Resources' testimony on the proposed rule changes. After determining there was no one else wishing to provide comments or testimony, Chairman Madras called the public hearing closed at 10:17 a.m. A copy of the public hearing transcript may be found online at dnr.mo.gov/geology/geosrv/ogc/docs/ogchearingtranscript-20151116.pdf. A hard copy of the hearing transcript is attached to these minutes.

MINUTES OF THE SEPTEMBER 10, 2015, MEETING

Mr. Ransdall offered a motion to accept the minutes of the meeting held Sept. 10, 2015.
Mr. Luebbert seconded the motion. Motion carried.

MINUTES OF THE SEPTEMBER 11, 2015, MEETING

Mr. Ransdall offered a motion to accept the minutes of the meeting held Sept. 11, 2015.
Mr. Borgmeyer seconded the motion. Motion carried.

DIRECTOR'S REPORT

Ms. Carey Bridges, Director, Geological Survey Program, updated the Council on rulemaking, Department of Natural Resources' strategic framework, compliance assistance and enforcement efforts, and presented quarterly updates.

ARROW OIL SERVICES

Mr. Larry Pierce, Chief, Geologic Resources Section, updated the Council on the status of Arrow Oil Services' extension on well conversions.

STATE OIL AND GAS COUNCIL ADVISORY COMMITTEE

Mr. Bleakley, Committee Chairman, gave an update on the status of the industry.

SCHEDULING AND LOCATION OF FUTURE MEETINGS

Mr. Borgmeyer moved to hold a special meeting Mon., Nov. 23, 2015, via teleconference and to set the 2016 tentative meeting dates. Mr. Bleakley seconded the motion. Motion carried.

2016 tentative meeting dates:

January 20, 2015, Missouri Geological Survey
April 20, 2016, Lewis and Clark State Office Building
July 20, 2016, Missouri Geological Survey
October 19, 2016, Kansas City Regional Office

OTHER BUSINESS

Chairman Madras asked if anyone had anything they would like to bring before the Council. None.

ADJOURNMENT OF MEETING

Mr. Ransdall made a motion to adjourn the meeting. Mr. Bleakley seconded the motion. Motion carried. The meeting was adjourned at 10:34 a.m.

Minutes taken at the State Oil and Gas Council meetings are not verbatim records of the meeting. Consequently, the minutes are not intended to be and are not a word-for-word transcription.